COUNCIL COMMUNICATION

TO: THE CITY COUNCIL .

COUNCIL MEETING DATE: April 20, 1988

FROM:

THE CITY MANAGER'S OFFICE

SUBJECT:

ADOPT RESOLUTION AUTHORIZING THE REALLOCATION AND REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE 1988-89 FISCAL YEAR

RECOMMENDED ACTION: The City approve and adopt the following reallocation and reprogramming of Community Development Block Grant funds for the 1988-89 fiscal year (as shown on the attached project summary).

BACKGROUND INFORMATION: On Friday, February 5, 1988 the President signed the Housing and Community Development Act of 1987. The legislation provides \$2.8 billion for the Community Development Block Grant (CDBG) Program for fiscal year This amount reflects a 4.2 percent reduction from 1987-88 funding Also, the addition of new entitlement communities and the use of 1986 population estimates has caused a further reduction of grant funds for individual communities. Overall reductions were approximately five percent. The allocation for the County of San Joaquin is 92,182,000 and the City of Lodi's share is 5337.381.

The new fiscal year for the CDGB Program starts July 1, 1988. The City of Lodi must adopt the next year's CDGB budget at this time.

Following an audit on the CDGB books, we have confirmed that several completed projects still have balances in their respective accounts. Since no further drawdowns can be expected from these accounts, the monies in them can be reprogrammed toward the 1988-89 program year. Four such projects are listed on the attached project summary with the notation "project completed".

The auditor has also informed us that we need to charge administrative salaries and costs to their respective accounts in the fiscal year in which they were incurred. Previously, we had not charged them to the current year accounts until the previous year accounts were reduced to a zero balance. The accounts have been corrected and the balances need to be reallocated or reprogrammed since the fiscal year has ended. These three accounts are listed as "unused funds".

For the time being, the Main Street Economic Planning Program does not appear to be active. A Business Improvement District (BID) has not been established and it doesn't appear likely in the immediate future. Main Street can be funded in future program years that are more appropriate. The entire amount of \$50,000 should be reprogrammed towards the 1988-89 program projects.

The Lodi Lake Restroom reallocation and reprogramming is explained at the bottom of the project summary. The proposed improvements to the restrooms were determined to include ineligible costs (such as deferred maintenance) which do not qualify for CDBG assistance unless it is in the target area.

NORMAN K. HOM

Community Development Block Grant Coordinator

April 13, 1988



CITY OF LODI COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FISCAL YEAR 1988-89 PROJECT SUMMARY

CD8G FUNDS AVAILABLE	- AMOUNT
FISCAL YEAR 1988-89 ALLOCATION (TO BE CONFIRMED) STORM SEWERS REPROGRAMMING (PROJECT COMPLETED) ARMORY PARK RESTROOM REPROGRAMMING (PROJECT COMPLETED) SOFTBALL COMPLEX RESTROOM REPROGRAKMING (PROJECT COMPLETED) BLAKELY PARK POOL PARTIAL REPROGRAMMING (PROJECT COMPLETED) FY 86-87 ADNINISTRATION REPROGRAMMING (UNUSED FUNDS) FY 86-87 CODE ENFORCEMENT REPROGRAMMING (UNUSED FUNDS) FY 86-87 FAIR HOUSING COUNSELING REPROGRAMMING (UNUSED FUND MAIN STREET ECONOMIC PLANNING REPROGRAMMING (TERMINATED) LODI LAKE RESTROOM PARTIAL REPROGRAMMING" (CDBG-INELIGIBLE)	159.73 387.53 4,918.77 4,053.99 10,029.19 15,317.17 S) 3,661.53 25,000.00
TOTAL FUNDS AVAILABLE	\$466,908.91
PROPOSED ALLOCATION OF FUNDS	AMOUNT
GENERAL ADMINISTRATION -ADMINISTRATIVE SALARIES -FAIR HOUSING COUNSELING (SALARIES) -TECHNICAL PERSONNEL SALARIES -SUPPLIES AND MATERIALS	\$ 65,000.00 - - - -
-OTHER EXPENSES (i.e. POSTAGE, ADVERTISING, ETC.) CODE ENFORCEMENT (SALARIES) WATER WELL NUMBER 8 STANDBY GENERATOR WATER WELL NUMBER 10-R STANDBY GENERATOR -100-PERSON GROUP PICNIC FACILITIES @ BLAKELY PARK -REPLACEMENT OF PLAYGROUND EQUIPMENT @ BLAKELY PARK -NEW PLAYGROUND FAC'LITIES AND EQUIPMENT !? HALE PARK -REPLACEMENT OF TOP GUTTER/TILES @ OLD BLAKELY PARK POOL CABINETS FOR SEFIOR INFORMATION CENTER @ HUTCHINS ST. SQUAR	30,000.00 40,000.00 40,000.00 5,000.00 32,000.00 38,000.00 5,000.00
HOUSING REHABIL: TATION LOAN PROGRAM (SEE NOTE BELOW) TOTAL PROJECTED ALLOCATION OF FUNDS	\$466,908.91

NOTE-Any deviations in the total funds available will be reflected in an appropriate adjustment to the Housing Rehab Loan Program.

^{*}Aspects of the Lodi Lake Restroom Project were determined to be CDBG-ineligible. An amount of \$71,000 was originally allocated for this project in FY 1987-88. \$66,000 of this allocation is to be reprogrammed for FY 1988-89 projects.

RESOLUTIOM 88-49

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA AUTHORIZING THE REALLOCATION AND REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

WHEREAS, the City Council of the City of Lodi has been notified of the City's expected Community Development Block Grant allocation for fiscal Year 1988-89; and

WHEREAS, said Council has determined that several completed projects have balances in their accounts and said balances are not expected to experience any further drawdowns; and

WHEREAS, said Council has determined that the accounts known as Administration, Code Enforcement and Fair Housing must be closed at the end of each fiscal year and their balances reallocated or reprogrammed to current or future program years in accordance with generally accepted accounting principles; and

WHEREAS, said Council has determined the Lodi Main Street Program has experienced some unexpected delays in its implementation and has determined that the monies in the Lodi Main Street account would be more useful in implementing other projects; and

WHEREAS, said Ccuncil has determined that certain aspects of the Lodi Lake Beach Restroom project of fiscal year 1988-89 are ineligible for CDBG funds; and

WHEREAS, said Council realizes that the amount of funds available is yet to be confirmed.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby authorize the reprogramming of the funds as shown on the Project Summary attached hereto and made a part hereof.

Dated: April 20, 1988

Noes:

I hereby certify that Resolution No. 88-49 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 20, 1988 by the following vote:

Ayes: Councilmembers - Hinchman, Olson, Snider and Pinkerton (Mayor)

Councilmembers - Reid

Absent: Councilmembers - None

ALICE M. REIMCHE

City Clerk

CTTY OF LODI COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FISCAL YEAR 1988-89 PROJECT SUMMARY

CDBG FUNDS AVAILABLE	<u>AMOUNT</u>
FISCAL YEAR 1988-89 ALLOCATION (TO BE CONFIRMED) STORM SEWERS REPROGRAMMING (PROJECT COMPLETED) ARMORY PARK RESTROOM REPROGRAMMING (PROJECT COMPLETED) SOFTBALL COMPLEX RESTROOM REPROGRAMMING (PROJECT COMPLETED) BLAKELY PARK POOL PARTIAL REPROGRAMMING (PROJECT COMPLETED) FY 86-87 ADMINISTRATION REPROGRAMMING (UNUSED FUNDS) FY 86-87 CODE ENFORCEMENT REPROGRAMMING (UNUSED FUNDS) FY 86-87 FAIR HOUSING COUNSELING REPROGRAMMING (UNUSED FUND MAIN STREET ECOKOMIC PLANNING REPROGRAMMING (TERHINATED) LODI LAKE RESTROOM PARTIAL REPROGRAMMING* (CDBG-INELIGIBLE)	\$337,381.00 159.73 387.53 4,918.77 4,053.99 10,029.19 15,317.17 S) 3,661.53 25,000.00 66,000.00
TOTAL FUNDS AVAILABLE	\$466,908.91
PROPOSED ALLOCATION OF FUNDS	AMOUNT
GENERAL ADMINISTRATION -ADMINISTRATIVE SALARIES -FAIR HOUSING COUNSELING (SALARIES) -TECHNICAL PERSONNEL SALARIES -SUPPLIES AND MATERIALS -OTHER EXPENSES (i.e. POSTAGE, ADVERTISING, ETC.) CODE ENFORCEMENT (SALARIES) WATER WELL NUMBER 8 STANDBY GENERATOR WAIR WELL NUMBER 10-R STANDBY GENERATOR -100-PERSON GROUP PICNIC FACILITIES @ BLAKELY PARK -REPLACEMENT OF PLAYGROUND EQUIPMENT @ BLAKELY PARK NEW PLAYGROUND FACILITIES AND EQUIPMENT @ HALE PARK -REPLACEMENT OF TOP GUTTER/TILES @ OLD BLAKELY PARK POOL CABINETS FOR SENIOR INFORMATION CENTER @ HUTCHINS ST. SQUAR HCUSING REHABILITATION LOAN PROGRAM (SEE NOTE BELOW)	\$ 65,000.00 - - 30,000.00 40,000.00 40,000.00 5,000.00 32,000.00 5,000.00 5,000.00 136,908.91
IUIAL PRUJECIED ALLOCATION OF FUNDS	\$466,908.91

NOTE-Any deviations in the total funds available will be reflected in an appropriate adjustment to the Housing Rehab Loan Program.

^{*}Aspects of the Lodi Lake Restroom Project were determined to be CDBG-ineligible. An amount of \$71,000 was originally allocated for this project in FY 1987-88. \$66,000 of this allocation is to be reprogrammed for FY 1988-89 projects.

CITY COUNCIL MEETING APRIL 20, 1988

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The City Courtil adorted Resolution No. 88-51 authorizing